# POLICIES AND PROCEDURES APPLICABLE TO THE TREASURY DIVISION, DEPARTMENT OF REVENUE, STATE OF ALASKA

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# APPENDIX ZR

A. Supplemental Benefits System Cash Transition Fund – Investment Policy Statement

### 1. Overview

The Supplemental Benefits System is now invested in the GeFONSI, and was created by Statute in January 1980, to provide benefits in lieu of those provided by the federal Social Security System. The Supplemental Benefits System Cash Transition Fund was created to hold monies in transit to the plan administrator, monies in transit to provider companies providing optional benefits and monies for plan administration.

### 2. History

January 1980, legislature establishes the Supplemental Benefits System. The Department of Administration, Division of Retirement and Benefits is responsible for Plan administration and recordkeeping. The Commissioner of Revenue was fiduciary for administrative funds and the Alaska State Pension Investment Board was fiduciary for all other funds. The Legislature passed SB141 in May 2005, dissolving the Alaska State Pension Investment Board and creating the Alaska Retirement Management Board.

# 3. Facts and Figures

Total invested assets and annual earnings (in AY25) at June 30, were:

Earnings	Fair Value
112,898	1,676,414
105,848	1,269,831
97,068	1,439,233
91,106	1,268,344
106,265	1,136,410
113,100	1,413,795
57,626	893,482
32,053	1,546,196
25,949	2,553,312
64,249	1,741,136
131,173	1,660,341
171,073	2,097,598
98,169	815,005
35,630	2,070,789
61,810	8,205,096
25,783	9,048,144
20,950	7,018,237
8,414	6,983,930
526	943,440
1,489	-
	112,898 105,848 97,068 91,106 106,265 113,100 57,626 32,053 25,949 64,249 131,173 171,073 98,169 35,630 61,810 25,783 20,950 8,414 526

## 4. Investment Policy

Treasury has invested with the following in mind.

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Risk Tolerance Low.

Investment Objectives Very low exposure to principal loss. Modest current income requirement.

Little inflation protection needed.

High liquidity requirement.

Time Horizon Short

Treasury's investment policy for the Supplemental Benefits System Cash Transition Fund is:

100% Short-term Pool

Treasury's performance benchmark for the Supplemental Benefits System Cash Transition Fund is:

100% Three-month U.S. Treasury Bill

## Version Control

Revision	Effective		Find it in
Date	Date	Summary of Changes	Version
1/21/05		New section created	2.2
4/30/06		Updated the Facts and Figures section.	2.3
12/31/06		Updated History and Facts and Figures sections	3.0
12/31/08		Updated the Facts and Figures section	3.1
12/31/09		Updated the Facts and Figures section	3.3
12/31/10		Updated the Facts and Figures section	3.4
1/12/12		Updated the Facts and Figures section	3.5
1/31/13		Updated the Facts and Figures section	3.6
7/1/13		Updated the Facts and Figures section	3.7
10/28/14		Updated the Facts and Figures section	3.8
7/30/15		Updated the Facts and Figures section	3.9